

FY 2003-04 Budget Detail

SUPPLEMENTAL APPROPRIATIONS

**House Bill 4032 (2003 PA 39)
Senate Bill 540 (2003 PA 173)**

Summary: Enacted Supplemental Bills
House Bill 4032 (Public Act 39 of 2003)
Senate Bill 540 (Public Act 173 of 2003)

Coordinator: Al Valenzio

Summary of House Bill 4032
FY 2002-03 Supplemental

	House Passed		Senate Passed		Enacted	
	<u>Gross</u>	<u>GF/GP</u>	<u>Gross</u>	<u>GF/GP</u>	<u>Gross</u>	<u>GF/GP</u>
Agriculture	\$0	\$0	\$7,250,000	\$0	\$7,250,000	\$0
Capital Outlay	12,000,000	0	12,000,000	0	12,000,000	0
Career Development	0	0	(50,000)	(50,000)	0	0
Community Health	8,841,600	(4,900,000)	228,173,200	(4,900,000)	228,173,200	(4,900,000)
Family Independence Agency	0	0	8,400,000	0	8,400,000	0
History, Arts, and Libraries	0	0	26,900	0	26,900	0
Judiciary	(1,103,700)	(1,101,900)	(1,103,700)	(1,101,900)	(1,103,700)	(1,101,900)
Legislature	(1,843,200)	(1,843,200)	(1,843,200)	(1,843,200)	(1,843,200)	(1,843,200)
Military and Veterans Affairs	0	0	50,000	50,000	50,000	50,000
Natural Resources	0	0	3,500,000	0	2,000,000	0
State	0	0	14,144,000	0	16,700,000	0
State Police	0	0	60,282,000	2,200,000	58,082,000	0
Transportation	24,000,000	0	0	0	18,000,000	0
Totals	\$41,894,700	(\$7,845,100)	\$330,829,200	(\$5,645,100)	\$347,735,200	(\$7,795,100)

Budgetary Issues:

AGRICULTURE

Emerald Ash Borer Program

Provides federal funds to help eradication efforts in southeast Michigan and for prevention activities to avoid spread of the insect to other wood products.

	<u>House</u>	<u>Senate</u>	<u>Enacted</u>
FTE	0.0	100.0	10.0
Gross	\$0	\$7,250,000	\$7,250,000
Federal	0	7,250,000	7,250,000
GF/GP	\$0	\$0	\$0

Budgetary Issues:

CAPITAL OUTLAY

Detroit Metro Airport – Northwest Midfield Terminal Project

Executive Order 2003-3 eliminated GF/GP support for the last payment toward the state's commitment for this project; however, the funds had already been expended resulting in the need for an alternative funding source. That source is Comprehensive Transportation Fund Bond Proceeds.

	<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Gross	\$12,000,000	\$0	\$12,000,000
Restricted	12,000,000	0	12,000,000
GF/GP	\$0	\$0	\$0

CAREER DEVELOPMENT

Focus: HOPE

Unspecified reduction in funding. **VETOED**

Gross	\$0	(\$50,000)	\$0
GF/GP	\$0	(\$50,000)	\$0

COMMUNITY HEALTH

Medicaid Special Adjustor Payments

Increases funding to authorize a new Medicaid special financing payment to practitioner groups affiliated with public hospitals that would result in GF/GP savings of \$4.9 million in FY 2002-03.

Gross	\$8,841,600	\$0	\$8,841,600
Federal	4,900,000	0	4,900,000
Local	8,841,600	0	8,841,600
GF/GP	(\$4,900,000)	\$0	(\$4,900,000)

COMMUNITY HEALTH

Bioterrorism Preparedness Funding

Provides funding for public health bioterrorism preparedness planning and readiness assessment, surveillance and epidemiology capacity, laboratory capacity for biologic and chemical agents, communications including a health alert network, risk communication and health information dissemination, education and training, and upgrades for hospital and health care entity bioterrorism preparedness.

Gross	\$0	\$23,300,000	\$23,300,000
Federal	0	23,300,000	23,300,000
GF/GP	\$0	\$0	\$0

COMMUNITY HEALTH

Medicaid Hospital, Long-Term Care, and Health Plan Services

Restores funds eliminated when the Medicaid Long-Term Care Services and Health Maintenance Organizations line items were vetoed by the Governor in the FY 2002-03 Community Health Appropriations Act. Of the restored funding, \$48.0 million is shifted to the Hospital Services line to reflect anticipated expenditure needs.

Gross	\$0	\$196,031,600	\$196,031,600
Federal	0	86,187,400	86,187,400
Local	0	109,844,200	109,844,200
GF/GP	\$0	\$0	\$0

FAMILY INDEPENDENCE AGENCY

Low-Income Energy Assistance Program

Recognizes available federal Low-Income Energy Assistance Program funding consistent with current FIA FY 2002-03 spending plan.

Gross	\$0	\$8,400,000	\$8,400,000
Federal	0	8,400,000	8,400,000
GF/GP	\$0	\$0	\$0

HISTORY, ARTS AND LIBRARIES

Reed Act Funds

Provides funds to be awarded on a competitive basis to eligible libraries for computers and training to assist claimants in accessing unemployment agency websites.

Gross	\$0	\$26,900	\$26,900
Federal	0	26,900	26,900
GF/GP	\$0	\$0	\$0

Budgetary Issues:**JUDICIARY*****Executive Order 2003-03 Reductions***

Includes \$1.1 million GF/GP reduction for the Judiciary budget recommended by the Executive, corresponding to Executive Order 2003-3 reductions in other budget areas. Boilerplate language states that reductions are to be applied to specific line items by authorized agent of Judiciary. Reduction equates to 0.6% of total year-to-date GF/GP appropriation for Judiciary budget. Small reduction to Local User Fees revenue line item is tied to underutilized fleet savings.

	<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Gross	(\$1,103,700)	(\$1,103,700)	(\$1,103,700)
Local	(1,800)	(1,800)	(1,800)
GF/GP	(\$1,101,900)	(\$1,101,900)	(\$1,101,900)

LEGISLATURE***Executive Order 2003-03 Reductions***

Includes \$1.8 million GF/GP reduction for the legislative budgets recommended by the Executive, corresponding to Executive Order 2003-3 reductions in other budget areas. This is a net reduction of 2% after deducting SOCC expenses.

Gross	(\$1,843,200)	(\$1,843,200)	(\$1,843,200)
GF/GP	(\$1,843,200)	(\$1,843,200)	(\$1,843,200)

MILITARY AND VETERANS AFFAIRS***Family Support Services***

Provides financial support to families of National Guard members who have been recently called to active duty.

Gross	\$0	\$50,000	\$50,000
GF/GP	\$0	\$50,000	\$50,000

NATURAL RESOURCES***Emerald Ash Borer Program***

Provides funds to support tree restoration activities and public outreach efforts associated with this insect that is causing destruction of ash trees in SE Michigan.

FTE	0.0	5.0	5.0
Gross	\$0	\$2,000,000	\$2,000,000
Federal	0	2,000,000	2,000,000
GF/GP	\$0	\$0	\$0

NATURAL RESOURCES***Payments In Lieu of Taxes***

Appropriates sufficient funds to pay summer property taxes on departmentally-owned properties. **VETOED**

Gross	\$0	\$1,500,000	\$0
Restricted	0	1,500,000	0
GF/GP	\$0	\$0	\$0

STATE***Federal Election Reform Funding***

Provides appropriation of federal revenue to implement Title I and Title II provisions of the Help America Vote Act of 2002 (Public Law 107-252), state election reform initiatives including expenses for administration and enforcement.

Gross	\$0	\$14,144,000	\$16,700,000
Federal	0	14,144,000	16,700,000
GF/GP	\$0	\$0	\$0

STATE POLICE***Homeland Security Grants***

Actual award to the state is still pending; this amount has been placed in the bill as a reasonable estimate. At least 80% of these monies will be awarded to local units.

Gross	\$0	\$42,164,000	\$42,164,000
Federal	0	42,164,000	42,164,000
GF/GP	\$0	\$0	\$0

STATE POLICE***Homeland Security Grants – Hazardous Materials Program***

Provides for federal funds for equipment, training, planning and exercises. More than half of these monies will be awarded to local units.

Gross	\$0	\$15,918,000	\$15,918,000
Federal	0	15,918,000	15,918,000
GF/GP	\$0	\$0	\$0

Budgetary Issues:

STATE POLICE

Disaster Assistance Grants

Provides reimbursement funds to local units in Oakland County for costs incurred as a result of damages from the 2003 ice storm. **VETOED**

	<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Gross	\$0	\$2,200,000	\$0
GF/GP	\$0	\$2,200,000	\$0

TRANSPORTATION

Critical Bridge Fund

Restores \$24.0 million in federal bridge funds to the local road and bridge projects line item (\$18.0 million) and the state road and bridge projects line item (\$6.0 million). **VETOED** partially by eliminating the \$6.0 million appropriation.

	<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Gross	\$24,000,000	\$0	\$18,000,000
Federal	24,000,000	0	18,000,000
GF/GP	\$0	\$0	\$0

TRANSPORTATION

New Construction Projects

Conference Committee version appropriates all 34 new construction projects as identified in the Department's five-year plan and reduces the lump-sum account by an equal amount. The amount for all the projects is \$181.2 million. **VETOED**

	<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Gross	\$0	\$0	\$0
GF/GP	\$0	\$0	\$0

FY 2002-03 Boilerplate Issues:

Sec. 203. Tobacco Settlement Trust Fund

Transfers \$14.6 million from this fund to the General Fund.

<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Included	Included	Included

Sec. 204. Merit Award Trust Fund

Transfers \$1.3 million from this fund to the General Fund.

<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Included	Included	Included

Sec. 205. Management and Budget – Department Reports

Requires the Department of Management and Budget to provide a monthly report on vendors prohibited from doing business with the state pursuant to Executive Order 2003-01; the report is required to include the name of the vendor, the reason for exclusion, and the time period of exclusion.

<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Not Included	Included	Included

Sec. 251. Agriculture – Unclaimed Winnings

Provides for disbursement of uncollected winning ticket revenue to county fairs on or before May 31, 2003. Section 811 of the FY 2002-03 Agriculture budget would be repealed. This section provides for the transfer of appropriated ticket revenue to line items from which these county fair payments would be made. Total estimated revenue in FY 2002-03 is \$692,000.

<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Included	Included	Included

Sec. 275. Attorney General – Prisoner Reimbursement Revenue

Authorizes the Department to spend up to \$301,700 of prisoner reimbursement revenue on activities related to the State Correctional Facilities Reimbursement Act; authorizes the Department to spend up to \$800,000 of excess collections, if the Department collects in excess of \$1,131,000, on defense of litigation against the state, its departments, or employees in civil actions filed by prisoners. **VETOED** partially by eliminating the \$800,000 authorization.

<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Included	Included	VETOED (partially)

Sec. 301. Capital Outlay – Northwest Midfield Terminal Project

Clarifies that the Part 1 appropriation is for the state-funded components of this project.

<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Included	Included	Included

Sec. 315. Community Health – Harbor Light

Mandates that DCH is to contract directly with the Salvation Army Harbor Light Program for substance abuse services.

<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Not-Included	Included	Included

FY 2002-03 Boilerplate Issues:***Sec. 316. Community Health – Bioterrorism Preparedness***

Establishes legislative intent that bioterrorism funding allocations assure local public health ability to detect and respond to bioterrorism events. Also requires the Department of Community Health to document to the Legislature the direct collaborative participation of local public health departments with the state in bioterrorism preparedness plan development and requires local funding allocation formulation, and that the approved plans and fund allocations reflect a majority consensus of the state and local public health departments.

HouseNot-
Included**Senate**

Included

Enacted

Included

Sec. 325. Consumer and Industry Services – Broadband Authority Location

Provides legislative intent language that the headquarters of the Broadband Authority remain in Ann Arbor.

Included

Included

Included

Sec. 351. Education – Reporting Penalty

Requires the Department to include certain data when determining a school district's Adequate Yearly Progress (AYP) required by the federal "No Child Left Behind" Act, or risk losing \$1.0 million of GF/GP appropriations if the data are not included. **Declared Unenforceable by the Executive.**

Not
Included

Included

Declared
Unenforce-
able***Sec. 402. History, Arts, and Libraries – Reed Act Funds***

Funds in Part 1 to be awarded on a competitive basis to eligible libraries for computers and training to assist claimants in accessing unemployment agency websites.

Not
Included

Included

Included

Sec. 501. Judiciary – Transfer of Funds

Authorizes chief financial officer to implement transfers to achieve reductions in Part 1.

Included

Included

Included

Sec. 601. Michigan Strategic Fund – Life Sciences Corridor

Senate corrects language in the enacted Michigan Strategic Fund appropriation bill due to the \$12.5 million reduction to the Life Sciences Corridor appropriation resulting from DMB letter dated 2/19/03. **Declared Unenforceable by the Executive.**

Not
Included

Included

Declared
Unenforce-
able***Sec. 701. Military and Veterans Affairs – Family Support Funds***

Appropriates funds appropriated in Part 1 to financially assist National Guard members who have been called to active duty.

Not-
Included

Included

Included

Sec. 752. State – Help America Vote Act

Appropriates funding collected and received under the Help America Vote Act of 2002 to the Department of State for the purpose of implementing Title I and Title II of the Act, to include necessary expenses for administration, and enforcement.

Included as
Sec. 601.

Included

Included

Sec. 751. State – Credit Card Transactions

Appropriates service assessments collected by the Department of State to be used for expenses related to credit and debit card services; authorizes the Department to base service assessments on either a percentage of each transaction or on a flat rate per transaction, or both; prohibits the Department from charging an amount which exceeds the costs billable to the Department; authorizes carryforward of service assessment balances; and defines "service assessment" to mean costs associated with service fees imposed by credit and debit card companies and processing fees imposed by banks and other financial institutions.

Not
Included

Included

Included

Sec. 775. State Police – Disaster Assistance Grants

Specifies funds in Part 1 are to assist local governments for costs incurred as a result of the April 4, 2003, storm in Oakland County. **VETOED**

Not
Included

Included

VETOED

FY 2002-03 Boilerplate Issues:

Sec. 776. State Police – Homeland Security Grants - Hazardous Materials

Federal funds for equipment, training, planning and exercises. At least 80% of these monies must, under the Senate version, be awarded to local units. Conference Committee language merely provides that funds will be distributed according to federal guidelines and regulations.

<u>House</u>	<u>Senate</u>	<u>Enacted</u>
Not Included	Included	Included

Sec. 800. Transportation – New Construction Projects

Directs the Department to “complete the phase(s) as scheduled for all projects identified in the department's 5-year road and bridge program volume IV - 2002-2006.” **VETOED**

Not Included	Included	VETOED
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Summary of Senate Bill 540**FY 2002-03 Supplemental and FY 2003-04 Appropriation/Supplemental**

<u>For FY 2002-03</u>	Senate Passed		House Passed		Enacted	
	<u>Gross</u>	<u>GF/GP</u>	<u>Gross</u>	<u>GF/GP</u>	<u>Gross</u>	<u>GF/GP</u>
Capital Outlay	\$16,712,400	\$0	\$16,712,500	\$100	\$16,712,400	\$0
Community Health	269,835,300	(29,280,000)	269,835,300	(29,280,000)	269,835,300	(29,280,000)
Consumer & Industry Services	37,700,000	0	37,700,000	0	37,700,000	0
Environmental Quality	2,500,100	100	2,500,100	100	2,500,100	100
Family Independence Agency	52,421,000	0	52,421,000	0	52,421,000	0
Higher Education	3,400,000	0	3,400,000	0	3,400,000	0
Information Technology	41,588,700	0	41,588,700	0	41,588,700	0
Michigan Strategic Fund	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Natural Resources	8,269,500	1,500,000	8,269,500	1,500,000	8,269,500	1,500,000
State	47,565,000	2,265,000	47,565,000	2,265,000	47,565,000	2,265,000
State Police	12,270,000	0	12,270,000	0	12,270,000	0
Transportation	(5,000,000)	0	(5,000,000)	0	(5,000,000)	0
Treasury	351,200	0	351,200	0	351,200	0
Totals	\$497,613,200	(\$15,514,900)	\$497,613,300	(\$15,514,800)	\$497,613,200	(\$15,514,900)

<u>For FY 2003-04</u>	Senate Passed		House Passed		Enacted	
	<u>Gross</u>	<u>GF/GP</u>	<u>Gross</u>	<u>GF/GP</u>	<u>Gross</u>	<u>GF/GP</u>
Capital Outlay	\$308,152,100	\$304,302,100	\$50,000,000	\$49,677,500	\$50,000,000	\$49,677,500
Environmental Quality	0	0	520,000	520,000	520,000	520,000
Totals	\$308,152,100	\$304,302,100	\$50,520,000	\$50,197,500	\$50,520,000	\$50,197,500

FY 2002-03 Budgetary Issues:**CAPITAL OUTLAY*****Natural Resources Trust Fund Acquisition and Development Projects***

Represents the second round of calendar year 2002 NRTF Board approved development and acquisition projects. Included in this round are four acquisition and 23 development projects for state and local agencies.

	<u>Senate</u>	<u>House</u>	<u>Enacted</u>
Gross	\$8,980,400	\$8,980,400	\$8,980,400
Restricted	8,980,400	8,980,400	8,980,400
GF/GP	\$0	\$0	\$0

FY 2003-04 APPROPRIATIONS SUMMARY AND ANALYSIS

HOUSE FISCAL AGENCY: SEPTEMBER 2003

SUPPLEMENTALS: PAGE 25

FY 2002-03 Budgetary Issues:

CAPITAL OUTLAY

Western Wayne Correctional Facility, Construct Housing Unit (VETOED)

Authorizes construction of a \$4.8 million, 400-bed drop-in housing unit at this prison to house female prisoners. It will be financed mostly by State Building Authority bond monies. This will relieve the over-crowding condition for female prisoners at Camp Brighton.

	<u>Senate</u>	<u>House</u>	<u>Enacted</u>
Gross	\$0	\$100	\$0
GF/GP	\$0	\$100	\$0

CAPITAL OUTLAY

Airport Improvement Programs

Eliminates the \$5.0 million appropriation for debt service payment from the MDOT operational budget and re-appropriates it here. It will also generate additional federal and local funds to support improvement projects at various airports statewide. The debt service payment on CTF bonds to support airport safety projects is not required for this fiscal year.

Gross	\$7,732,000	\$7,732,000	\$7,732,000
Federal	2,200,000	2,200,000	2,200,000
Local	532,000	532,000	532,000
Restricted	5,000,000	5,000,000	5,000,000
GF/GP	\$0	\$0	\$0

COMMUNITY HEALTH

Medicaid Funding Shortfall

Provides funds to cover increased Medicaid costs due to caseload and utilization growth. The Senate concurs and also reflects the GF/GP impact.

Gross	\$268,110,000	\$268,110,000	\$268,110,000
Federal	148,590,000	148,590,000	148,590,000
GF/GP	\$119,520,000	\$119,520,000	\$119,520,000

COMMUNITY HEALTH

Funding Shift from GF/GP to Medicaid

Appropriates Federal Medicaid fiscal relief funds to replace GF/GP monies. Also, related adjustments are made to the CMHSP purchase of state services contracts for state mental health facilities.

Gross	(\$1,136,700)	(\$1,136,700)	(\$1,136,700)
Federal	148,800,000	148,800,000	148,800,000
Local	(1,136,700)	(1,136,700)	(1,136,700)
GF/GP	(\$148,800,000)	(\$148,800,000)	(\$148,800,000)

COMMUNITY HEALTH

Salvation Army Veto Restoration

Restores federal funds eliminated due to the veto of language in the DCH operational budget that required the Department to contract with the Salvation Army's Harbor Light and Turning Point of West Michigan for substance abuse services.

Gross	\$2,862,000	\$2,862,000	\$2,862,000
Federal	2,862,000	2,862,000	2,862,000
GF/GP	\$0	\$0	\$0

CONSUMER AND INDUSTRY SERVICES

Housing Assistance Payments

Requests additional federal HUD, Lower Income Housing Assistance Program authorization for processing payments (\$5,700,000), and the actual payments (\$32,000,000) to Section 8 contractors. This program is administered by the Michigan State Housing Development Authority.

Gross	\$37,700,000	\$37,700,000	\$37,700,000
Federal	37,700,000	37,700,000	37,700,000
GF/GP	\$0	\$0	\$0

ENVIRONMENTAL QUALITY

Scrap Tire Program

Appropriates additional Scrap Tire Regulatory Fund revenue to the grant program. Also, up to \$500,000 will be made available for new scrap tire market development grants.

Gross	\$2,500,000	\$2,500,000	\$2,500,000
Restricted	2,500,000	2,500,000	2,500,000
GF/GP	\$0	\$0	\$0

FY 2002-03 Budgetary Issues:**ENVIRONMENTAL QUALITY*****Lead Abatement Effectiveness Program***

Provides funds to communities with child populations greater than 1,000, if more than 15% of the child population is affected by lead poisoning. Funding may be provided from Clean Michigan Initiative Bond revenue through work project language included in prior appropriation acts.

	<u>Senate</u>	<u>House</u>	<u>Enacted</u>
Gross	\$100	\$100	\$100
GF/GP	\$100	\$100	\$100

FAMILY INDEPENDENCE AGENCY***Child Support Automation***

Draws down additional Federal Title IV-D funds to complete Child Support Enforcement System with the goal of obtaining federal certification by September 30, 2003. Timely certification will result in a penalty refund of approximately \$34.0 million, \$28.0 million for FIA and \$6.0 million for Treasury, and avoiding additional penalties of approximately \$147.5 million. The FIA plans to use \$8.8 million in CSES penalty refunds and \$14.1 million in retained child support incentive payments as the state match.

Gross	\$41,588,700	\$41,588,700	\$41,588,700
Federal	27,468,500	27,468,500	27,468,500
Restricted	14,120,200	14,120,200	14,120,200
GF/GP	\$0	\$0	\$0

FAMILY INDEPENDENCE AGENCY***Low Income Energy Assistance Program***

Provides funds to cover planned fiscal year expenditure level in excess of the original \$86.0 million appropriation and the \$8.4 million provided in supplemental appropriation HB 4032. Fund source is additional Federal Low Income Energy Assistance program funds from a combination of FY 2001-02 carryover, FY 2002-03, and prior-year contingency funds.

Gross	\$10,832,300	\$10,832,300	\$10,832,300
Federal	10,832,300	10,832,300	10,832,300
GF/GP	\$0	\$0	\$0

HIGHER EDUCATION***Tuition Incentive Program (TIP) Shortfall***

Estimated Tuition Incentive Plan (TIP) program costs, due to increased TIP enrollment and better retention of students as well as higher tuition, exceed the available spending authority by \$3.4 million.

Gross	\$3,400,000	\$3,400,000	\$3,400,000
Restricted	3,400,000	3,400,000	3,400,000
GF/GP	\$0	\$0	\$0

INFORMATION TECHNOLOGY***Child Support Automation***

Authorizes the Department of Information Technology to expend additional federal Title IV-D funding made available to the Family Independence Agency for completing implementation and obtaining federal certification of the Child Support Enforcement System.

Gross	\$41,588,700	\$41,588,700	\$41,588,700
IDG	41,588,700	41,588,700	41,588,700
GF/GP	\$0	\$0	\$0

MICHIGAN STRATEGIC FUND***Biosciences Research and Commercialization Center***

Provides a \$10.0 million GF/GP appropriation for a biosciences research and commercialization center to be located in Kalamazoo County. The center will coordinate and promote Michigan life sciences research initiatives, business establishment, and commercialization opportunities at Western Michigan University and within the business technology park.

Gross	\$10,000,000	\$10,000,000	\$10,000,000
GF/GP	\$10,000,000	\$10,000,000	\$10,000,000

FY 2002-03 Budgetary Issues:

		<u>Senate</u>	<u>House</u>	<u>Enacted</u>
NATURAL RESOURCES				
<i>Hunting and Fishing License Terminals</i>	Gross	\$4,000,000	\$4,000,000	\$4,000,000
Provides funds to replace existing point-of-sale terminals and purchase and install kiosks to expand self service at large volume locations.	Restricted	4,000,000	4,000,000	4,000,000
	GF/GP	\$0	\$0	\$0
NATURAL RESOURCES				
<i>Recreational Development Funding</i>	Gross	\$2,769,500	\$2,769,500	\$2,769,500
Provides increased federal grant for local recreation development projects.	Federal	2,769,500	2,769,500	2,769,500
	GF/GP	\$0	\$0	\$0
NATURAL RESOURCES				
<i>Payments in Lieu of Taxes</i>	Gross	\$0	\$1,500,000	\$1,500,000
Adds GF/GP to cover summer tax obligations for lands purchased by the state. Since most summer tax payments are school related, much of this appropriation ultimately would be deposited into the State School Aid Fund.	GF/GP	\$0	\$1,500,000	\$1,500,000
STATE				
<i>Help America Vote Act</i>	Gross	\$47,565,000	\$47,565,000	\$47,565,000
Provides appropriation of federal revenue made available for implementation of Title I and Title II provisions of the Help America Vote Act of 2002 (Public Law 107-252). Funding will be used for state election reform initiatives, including expenses for administration and enforcement. Also appropriated is the 5% state GF/GP match, which is required by the federal government.	Federal	45,300,000	45,300,000	45,300,000
	GF/GP	\$2,265,000	\$2,265,000	\$2,265,000
STATE POLICE				
<i>Homeland Security Funding</i>	Gross	\$12,270,000	\$12,270,000	\$12,270,000
Recognizes federal grant award for homeland security planning, operations, equipment purchases, training, and exercises in Detroit urban area. At least 80% must be passed through to local units. Eligible units are City of Detroit, Wayne County, and contiguous jurisdictions designated as part of needs assessment and homeland security strategy.	Federal	12,270,000	12,270,000	12,270,000
	GF/GP	\$0	\$0	\$0
DEPARTMENT OF TRANSPORTATION				
<i>Airport Safety and Protection Program</i>	Gross	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)
Eliminates a \$5 million appropriation for debt service payment here and re-appropriates it to support the Airport Improvement Program under Capital Outlay. The debt service payment on CTF bonds to support airport safety projects is not required for this fiscal year.	Restricted	(5,000,000)	(5,000,000)	(5,000,000)
	GF/GP	\$0	\$0	\$0
DEPARTMENT OF TREASURY				
<i>Home Heating Assistance Administration</i>	Gross	\$351,200	\$351,200	\$351,200
Appropriates federal grant funding made available for administrative costs associated with processing special home heating assistance payments as authorized by the Family Independence Agency.	Federal	351,200	351,200	351,200
	GF/GP	\$0	\$0	\$0

FY 2002-03 Boilerplate Issues:

	<u>Senate</u>	<u>House</u>	<u>Enacted</u>
Sec. 203. General – Deposit to the BSF States that if the year-end General Fund balance is at least \$350.0 million, \$73.1 million will be deposited into the BSF.	Not Included	Included	Included
Sec. 204. General – Temporary State Fiscal Relief (Federal) Funds Directs that these monies will be deposited into the General Fund and are to be used to support essential State Police services.	Not Included	Included	Included
Sec. 251. Capital Outlay – Prison Construction Projects – VETOED Terminates the State Building Authority construction project for a new housing unit at Camp Brighton; transfers the SBA financing to the Scott Prison project in Part 1.	Not Included	Included	Vetoed
Sec. 252. Capital Outlay – Natural Resources Trust Fund Requires local units to enter into agreements with the DNR in order to receive Natural Resources Trust Fund monies. Also sets basic criteria for agreements.	Included	Included	Included
Sec. 253. Capital Outlay – Natural Resources Trust Fund Allows Natural Resources Trust Fund appropriations to be effective for three years.	Included	Included	Included
Sec. 254. Capital Outlay – Airport Improvement Funds Airport Improvement funds in Part 1 can only be expended on safety and security projects.	Included	Included	Included
Sec. 255. Capital Outlay – Eastern Michigan University, President's House Construction Requires EMU to request state approval of a Use and Finance Statement for this self-funded project in order to continue to receive operational payments appropriated under the FY 2002-03 Higher Education budget act.	Included	Not Included	Not Included
Sec. 301. Community Health – State by State Pharmaceutical Survey Requires DCH to complete a state-by-state survey of pharmaceutical based disease management and health management programs, and provide a report with recommendations by January 1, 2004.	Included	Included	Included
Sec. 302. Community Health – Establish Pilot Programs Authorizes DCH to establish disease management and health management pilot programs, and utilize the resulting savings rather than requiring supplemental rebates for inclusion of the drug manufacturer's products on the preferred drug list.	Included	Included	Included
Sec. 351. Environmental Quality – Environmental Cleanup Projects Re-appropriates funds authorized in earlier appropriation acts for environmental cleanup projects and establishes projects as work projects. Funds will be available until September 30, 2008.	Included	Included	Included
Sec. 352. Environmental Quality – Clean Michigan Initiative Re-appropriates unspent appropriations from the Clean Michigan Initiative for the same original purposes.	Included	Included	Included
Sec. 353. Environmental Quality – Lead Abatement Effectiveness Provides funds to communities with child populations greater than 1,000, if more than 15% of the child population is affected by lead poisoning.	Included	Not Included	Not Included
Sec. 371. Family Independence Agency – Child Support Program Allows \$29.5 million in federal child support incentive payments to be retained by the state and expended for legal support contracts and child support program expenses. Also provides that additional incentive funds may be retained for special, enhanced, or centralized initiatives or services.	Included	Included	Included

FY 2002-03 Boilerplate Issues:

	<u>Senate</u>	<u>House</u>	<u>Enacted</u>
Sec. 381. Michigan Strategic Fund – Biosciences Research and Commercialization Center Provides guidance on the use of \$10.0 million appropriated in Part 1 for the biosciences research and commercialization center. Language 1) designates the partners in the organization of the center, 2) details responsibilities of the life sciences steering committee in providing advice and oversight of grant awards, 3) mandates a report by February 1, 2004, and lists what the report is to include, and 4) allows any unexpended or unencumbered balances at close of FY 2002-03 to be set up as a work project.	Included	Included	Included
Sec. 401. Natural Resources – Quality of Life Bonds Debt Service Authorizes unspent Quality of Life Bond revenues to be used to pay debt service normally paid from the General Fund. This would implement provisions of Executive Order 2002-22.	Included	Included	Included
Sec. 402. Natural Resources – Work Project Status States that appropriations in Part 1 for federal land and water conservation fund payments are work project accounts.	Included	Included	Included
Sec. 501. State – Work Project Status Designates appropriation for implementing provisions of the Help America Vote Act as a work project account so the funds will not lapse at the end of the fiscal year.	Included	Included	Included
Sec. 601. Treasury – Appropriation for Homestead Property Tax Audits Provides for an appropriation of \$1.0 million if Enrolled Senate Bill 520 is enacted into law to conduct these audits.	Not Included	Included	Included
Sec. 1001. Repealers Section 401(FIA budget act) is repealed and replaced by Sec. 371 in this bill. The old section allowed \$10.4 million in federal child support incentive payments to be retained by the state and expended for legal support contracts and child support program expenses. New language allows \$29.5 million to be retained for these expenses and the statewide Child Support Enforcement System. Section 371 further provides that additional incentive funds may be retained for special, enhanced, or centralized initiatives or services.	Included	Included	Included

FY 2003-04 Budgetary Issues:

CAPITAL OUTLAY

State Building Authority Rent Payments

The state pays rent to the SBA so it can pay off bonds that are used to finance building construction projects for state agencies, universities, and community colleges. This Act includes enough funding to ensure that at least the October 1 payment is met with the remainder to be provided under the full-year Capital Outlay bill.

Gross	\$308,152,100	\$50,000,000	\$50,000,000
Restricted	3,850,000	322,500	322,500
GF/GP	\$304,302,100	\$49,677,500	\$49,677,500

ENVIRONMENTAL QUALITY

National Pollution Discharge Elimination System Non-stormwater (NPDES) Program

Provides GF/GP replacement for fee revenue not included in the Department of Environmental Quality for FY 2003-04.

Gross	\$0	\$420,000	\$420,000
GF/GP	\$0	\$420,000	\$420,000

ENVIRONMENTAL QUALITY

Groundwater Discharge

Provides GF/GP replacement for fee revenue not included in the Department of Environmental Quality for FY 2003-04.

Gross	\$0	\$100,000	\$100,000
GF/GP	\$0	\$100,000	\$100,000

FY 2003-04 Boilerplate Issues:

	<u>Senate</u>	<u>House</u>	<u>Enacted</u>
Sec. 1251. Attorney General – Prisoner Reimbursement Revenue Authorizes the Attorney General to expend all prisoner reimbursement revenue collected in excess of \$1.1 million. The Department is authorized to expend the funding on defending the state, state departments, and state employees in civil litigation claims filed by prisoners.	Not Included	Included	Included
Sec. 1301. Capital Outlay – State Building Authority, General Fund Advances Allows advances from the state's General Fund for cash flow on state agency building projects funded with State Building Authority monies.	Included	Included	Included
Sec. 1302. Capital Outlay – State Building Authority, Facility Revenues Provides that State Building Authority funding to finance construction or renovation of a facility that collects revenue in excess of money required to operate the facility shall not be released to a university or community college unless the institution agrees to reimburse that excess revenue to the SBA.	Included	Included	Included
Sec. 1303. Capital Outlay – State Building Authority, Insurance Payments Allows appropriations for State Building Authority Rent in Part 1A to be used to pay insurance premiums and deductibles.	Included	Included	Included
Sec. 1304. Capital Outlay – State Building Authority, University of Michigan Hospital Rent Requires that the University of Michigan Hospital take all reasonable steps to ensure that eligible interest reimbursements are collected from third parties and forwarded to the state for State Building Authority rent payments.	Included	Included	Included
Sec. 1401. Environmental Quality – Aquifer Protection Revolving Fund Explains the purpose, intent and limitations placed on the appropriations for aquifer protection and conflict resolution and the aquifer protection revolving fund, included in the appropriations bill for the Department of Environmental Quality (HB 4393).	Not Included	Included	Included
Sec. 1402. Environmental Quality – Groundwater Inventory and Mapping Program States that water use reporting fees noted in the Department of Environmental Quality budget for FY 2003-04 are directed to the groundwater inventory and mapping program in support of the groundwater use conflict resolution program.	Not Included	Included	Included
Sec. 1403. Environmental Quality – Groundwater Inventory and Mapping Program Directs the \$1.0 million appropriation in the Department of Environmental Quality appropriation act for FY 2003-04 from the Clean Water Fund (CMI) to the statewide groundwater inventory and mapping program.	Not Included	Included	Included
Sec. 1501. Repealers Section 308 of Enrolled Senate Bill 270 (General Government) is repealed and replaced by Section 1251 in this bill.	Not Included	Included	Included